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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

EDWARD J. HANCOCK, JR., ATTORNEY
OF RECORD FOR PETITIONER

In re Matter of)	
)	IB Docket No. 96-111
Amendment to the Commission's)	
Regulatory Policies to Allow Non-U.S.)	CC Docket No. <u>93-23</u>
Licensed Space Stations to Provide)	RM-7931
Domestic and International Satellite)	
Service in the United States)	File No. ISP-92-007

CONSOLIDATED RESPONSE OF PANAMSAT CORPORATION

PanAmSat Corporation ("PanAmSat"), by its attorneys, hereby submits this consolidated response to the petitions for reconsideration filed regarding the Commission's Report and Order ("DISCO II"), released November 26, 1997, in the above-referenced proceeding.

DISCUSSION

I. The Commission Correctly Determined That The ECO-Sat Test Will Apply To Occasional Television Services Proposed To Be Carried By Satellites Licensed To Non-WTO Members.

In its partial petition for reconsideration, ABC, Inc. ("ABC") argues that the ECO-Sat test should not apply to occasional television services proposed to be carried by satellites licensed to non-WTO members. In ABC's view, the "costs associated with applying the ECO-Sat test to occasional video service transmissions relayed by non-WTO country satellites outweighs the potential benefits that could be realized from imposition of such a requirement."¹ PanAmSat disagrees.

To the contrary, because the market for occasional video services is one in which separate satellite systems have significant problems gaining access, it is a market for which the Commission should rigorously apply the ECO-Sat test.

¹ Partial Petition for Reconsideration of ABC at 5.

Further, ABC has overstated the burden imposed by the ECO-Sat test. As the Commission recognized in DISCO II, ECO-Sat showings will be a one-time event in most cases.² If the services in question are of any significant value, the user will undertake the effort to make that showing. If, on the other hand, as ABC seems to imply, the value of occasional video services are so slight that users will "forego the potential program transmission" entirely rather than perform a one-time ECO-Sat analysis,³ then certainly no exception to the Commission's DISCO II rules is warranted for these services.

II. The Commission Should Not Abdicate Its Responsibility To Review Independently The Competitive Implications Of U.S. Market Entry By IGO Affiliates.

ICO Global Communications ("ICO") has asked that the Commission "reconsider its decision to classify ICO ... as an IGO affiliate."⁴ ICO bases this position, in part, on the fact that "ICO was organized in consultation with the United States government."⁵

Whether or not ICO itself is deemed to be an IGO affiliate for purposes of the Commission's DISCO II rules,⁶ PanAmSat disagrees with the suggestion that U.S. participation in the creation of an IGO spin-off in any way diminishes the Commission's responsibility to consider the competitive implications of entry by that spin-off into the U.S. market. As PanAmSat noted in its own petition for reconsideration, the Commission should "take whatever steps are necessary in order to preserve the independence of its competitive review of future IGO affiliate applications."⁷ That entails, among other things, "de novo" consideration of an application for entry by IGO spin-offs. The public interest standard mandated by the Communications Act requires no less.

² DISCO II ¶ 40.

³ Partial Petition for Reconsideration of ABC at 5-6.

⁴ Petition for Clarification and Reconsideration of ICO Global Communications at 6.

⁵ Id.

⁶ In DISCO II, the Commission determined that it would engage in a "competition review" of any request by an IGO affiliate to enter the U.S. market. DISCO II ¶137.

⁷ Petition for Reconsideration of PanAmSat at 12.

CONCLUSION

To the extent set forth above, the Commission should reject the petitions for reconsideration of DISCO II filed by ABC and ICO.

Respectfully submitted,

PANAMSAT CORPORATION

By: /s/ Joseph A. Godles
Joseph A. Godles
W. Kenneth Ferree

GOLDBERG, GODLES, WIENER & WRIGHT
1229 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 429-4900

Its Attorneys

February 17, 1998

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Consolidated Response of PanAmSat Corporation was sent by first-class mail, postage prepaid, this 17th day of February, 1998, to each of the following:

Randolph J. May
Sutherland, Asbill & Brennan, LLP
1275 Pennsylvania Avenue, NW
Washington, DC 20004

Charlene Vanlier
ABC, Inc.
21 Dupont Circle
Sixth Floor
Washington, DC 20036

Cheryl A. Tritt
Charles H. Kennedy
Morrison & Foerster, LLP
2000 Pennsylvania Avenue, NW
Washington, DC 20006

Francis D.R. Coleman
ICO Global Communications
1101 Connecticut Avenue, NW
Suite 550
Washington, DC 20036

Peter A. Rohrbach
Karis Hastings
Hogan & Hartson, LLP
555 Thirteenth Street, NW
Washington, DC 20004

Philip V. Otero
Senior Vice President and
General Counsel
GE American Communications, Inc.
Four Research Way
Princeton, NJ 08540

Alfred M. Mamlet
Maury D. Shenk
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036

/s/ Hema Patel
Hema Patel